



2550 M Street NW
Washington DC 20037
(202) 457-6000

Facsimile (202) 457-6315

MEMORANDUM

Privileged and confidential attorney
work product

To: Leon County
From: Patton Boggs LLP
Date: November 30, 2004
Subject: November Monthly Report

Congress returned from the election recess to complete its work on the fiscal year 2005 Appropriations process. During the November lame duck session Congress essentially finished its appropriations work with only a few technical details left to work out. As expected, Congress did not address other major bills that remained unfinished from the regular session, including TEA-21 Reauthorization and the Intelligence Reorganization bill. There may be a short session held in December if a deal can be reached on the Intelligence Reorganization bill, however, we suspect that Congress has concluded its work for the year.

TEA-21 Reauthorization

It is almost certainly the case that TEA-21 Reauthorization will not be addressed before the new Congress convenes in January. In a sense this means that the 109th Congress must start over on TEA-21 Reauthorization. The bills must again be introduced in each Chamber and the relevant Committees of jurisdiction in each Chamber must markup the bill. Relevant Committees in the House and the Senate will again request that members submit project requests, and most members will in turn require constituents to submit project requests. The bills would then each need to be reported out of the committees of jurisdiction, then pass the respective chambers and be negotiated in a Senate/House Conference Committee. After the Conference Committee finishes its work, the Conference Report would need to be passed by both the Senate and the House and signed by the President.

PATTON BOGGS LLP
ATTORNEYS AT LAW

In another sense, the new Congress will have a head start on reauthorization because of the negotiations that occurred over the past two years. Although TEA-21 Reauthorization did not pass this year, significant progress was made during the 108th Congress. Each chamber introduced and passed its own version of the Reauthorization bill. By the time Congress adjourned, it appeared that a deal on the final overall funding (around \$299 billion) level was very close. Major policy hurdles have been identified if not overcome, and most of the same actors will return in January having already staked out positions.

That does not mean that new hurdles will not appear. With the results of the November election, it is possible that the Administration will demand a bill closer to its original proposal of \$256 billion. Moreover, the contentious issue of states' percentage return on Highway Trust Fund contributions ("donor-donee" issue) will likely re-emerge. On the other hand, election year politics will not play a role and it will probably be easier to negotiate a bill -- including a larger bill. Nonetheless, we expect that the ultimate bill will be in the \$290 - \$300 billion range. The present TEA-21 extension expires on May 31 and there will be significant pressure for Congress to complete a bill by that time. We believe that it is possible for Congress to complete the bill in that time period and would not be surprised if Congress in fact completes the bill in the first half of the year.

Leon County did very well in the House version of the bill (the Senate never added member projects to its bill). TEA-LU, as passed by the House, includes authorization for the following Leon County projects: \$3 million for Interchange with I-10 to connect to a new north-south highway, and a second phase extending to US 90; \$9 million for Intermodal connector between Tallahassee Regional Airport and I-10; \$10 million for Expansion from 2 to 4 lanes with grassed median, from Interstate 10 to US 90. While there are no guarantees that this funding will remain in the bill that the next Congress prepares, the \$22 million included in TEA-LU for Leon County is a very good indication of Representative Boyd's level of support for the Capitol Circle project. It should be expected that Representative Boyd is likely to continue his support of the project in the new Congress.

We continue to work with Representatives Boyd and Crenshaw, and Senator Nelson about Leon County's TEA-21 Reauthorization projects. We will also begin to engage Senator-elect Martinez and his staff as he assembles his Washington D.C. staff. Prior to his election, our firm participated in several events in Washington for Secretary Martinez, and thus we have a sound foundation with him.

PATTON BOGGS LLP
ATTORNEYS AT LAW

FY05 Appropriations

As mentioned above, Congress returned to Washington in November in a lame duck session to finish its work on the FY05 Appropriations process. Except for a technical motion that the House must pass to send the Omnibus bill to the President for his signature the Appropriations process is complete. The Omnibus bill includes the Transportation/Treasury, VA/HUD and Labor/HHS/Education bills. Unfortunately, Leon County's requests for funding for the library equipment at the Lake Jackson and Apalachee libraries, the Eastern Sinks Watershed Study, and the new Frenchtown healthcare center were not included in the Omnibus bill.

We believe that there are two important reasons. The first is that Leon County was in a sense a victim of its success. Representative Boyd clearly supported the County's TEA-21 Reauthorization requests and put an emphasis on providing as much funding to Leon County in that bill as possible believing, like many, that Congress would finish the bill this year. We suspect, having put as much as possible in TEA-21 Reauthorization for Leon County, the Congressman used the FY05 Appropriations process to fund other priorities. This is not a problem unique to Leon County as a number of municipalities and local governments also saw a decrease in FY05 Appropriations in light of TEA-21 success. The second reason appears to be that, for whatever reason, Representative Boyd, Senator Graham and Senator Nelson focused FY05 Appropriations funds on educational institutions and projects.¹

While Leon County's federal priorities were not included, there were a number of projects included in the Omnibus bill that fall within Leon County and the region. These include:

- \$200,000 for Jump Start (at-risk youth);
- \$1,000,000 for the Lawton Chiles Foundation for facilities and equipment;
- \$450,000 for Tallahassee Community College for facilities and equipment for healthcare training;
- \$400,000 for the Florida Certification Board for the Florida Center for Prevention Workforce Development;
- \$250,000 to the Florida Learning Alliance, Inc. for a Collaborate with Florida Virtual School Project;

¹ We have attached a full list of the projects in the Omnibus that are located in Representative Boyd's district.

PATTON BOGGS LLP
ATTORNEYS AT LAW

- \$1,000,000 to Florida State University for a Florida reading, math and science initiative;
- \$450,000 to the Florida Campus Compact (based in Tallahassee) to enhance service learning on college campuses throughout Florida;
- \$300,000 to Tallahassee Community College to establish satellite education centers;
- \$500,000 to the Claude Pepper Center for the digitization of library holdings;
- \$3,000,000 to Florida State University System Center for Intermodal Transportation Safety; and
- \$800,000 for the TalTran Bus replacement project.

As indicated from the list of Tallahassee projects, there is a major focus on educational institutions and education related programs.

It will be important as the FY06 Appropriations process begins in earnest at the end of January to engage the Leon County delegation on the County's priorities. Likewise, it will be crucial as the 109th Congress begins in late January to remind the Congressional delegation of the County's TEA-21 Reauthorization requests. We will begin reaching out to the delegation in December and January including Senator-elect Martinez's staff when it is finally assembled.

**EARMARKS IN THE OMNIBUS FOR PROJECTS LOCATED IN REPRESENTATIVE
BOYD'S DISTRICT**

- \$200,000 for Jump Start (at-risk youth);
- \$1,000,000 to the Lawton Chiles Foundation for facilities and equipment;
- \$450,000 to Tallahassee Community College for facilities and equipment for healthcare training;
- \$400,000 for the Florida Certification Board for the Florida Center for Prevention Workforce Development;
- \$250,000 to the Florida Learning Alliance, Inc. for a Collaborate with Florida Virtual School Project;
- \$1,000,000 to Florida State University for a Florida reading, math and science initiative;
- \$450,000 to the Florida Campus Compact (based in Tallahassee) to enhance service learning on college campuses throughout Florida;
- \$300,000 to Tallahassee Community College to establish satellite education centers;
- \$500,000 to the Claude Pepper Center for the digitization of library holdings;
- \$3,000,000 to Florida State University System Center for Intermodal Transportation Safety;
- \$800,000 for the TalTran Bus replacement project;
- \$2,000,000 Bay County Regional ITS;
- \$100,000 Gulf County School Board, Port St. Joe, FL, for health and physical education equipment; and
- \$3,000,000 Wakulla County: US 319 Improvements.